



**SPILMAN THOMAS & BATTLE, PLLC**  
ATTORNEYS AT LAW

Direct Dial: (304) 340-3892  
E-mail: [ahill@spilmanlaw.com](mailto:ahill@spilmanlaw.com)

November 1, 2006

**VIA FEDERAL EXPRESS**

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
1925 K Street, N.W.  
Washington, D.C. 20423

RECORDATION NO. 26324-C FILED

NOV 02 '06

12-49 PM

SURFACE TRANSPORTATION BOARD



Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) please find one original and one copy of a Partial Release, dated September 21, 2006, and effective as of November 1, 2006, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Secured Party: Land Use Corporation  
300 Greenbrier Road  
P. O. Box 460  
Summersville, West Virginia 26651  
as collateral agent for Rail Connection, Inc. and  
William T. Bright

Debtor: North American Railcar, LLC  
737 Eleanor Industrial Park  
P. O. Box 800  
Eleanor, West Virginia 25070

A description of the railroad equipment covered by the enclosed document is set forth in Exhibit A attached to the enclosed Partial Release.

Mr. Vernon A. Williams  
November 1, 2006  
Page 2

A short summary of the document to appear in the index is:

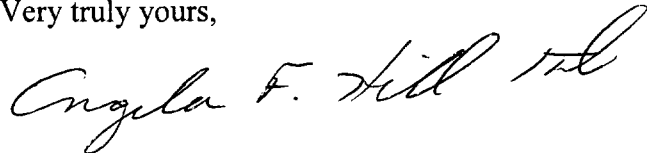
Partial Release.

This Partial Release is intended to effectuate a release of the Secured Party's and the Debtor's interest in the rail cars referenced in Exhibit A of the enclosed Partial Release, which rail cars are a portion of the rail cars covered by the Security Agreement (bearing Surface Transportation Board Recordation No. 26324), the Assignment of Rents and Leases (bearing Surface Transportation Board Recordation No. 26324-A) and the Memorandum of Lease (bearing Surface Transportation Board Recordation No. 26324-B), each dated as of May 3, 2006.

Also enclosed is a check in the amount of \$34.00 and payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return the stamped copy of the enclosed document to the undersigned in the enclosed self-addressed stamped envelope.

Very truly yours,



Angela F. Hill

AFH/tlh/443021  
Enclosures

NOV 02 '06

12-49 PM

**PARTIAL RELEASE**

SURFACE TRANSPORTATION BOARD

This Partial Release is made this 21<sup>st</sup> day of September, 2006, and effective as of November 1, 2006, by and between **North American Railcar, LLC**, a West Virginia limited liability company with its principal place of business at 737 Eleanor Industrial Park, P.O. Box 800, Eleanor, West Virginia 25070 ("Borrower"), and **Land Use Corporation**, a West Virginia corporation with its principal place of business at 300 Greenbrier Road, P.O. Box 460, Summersville, West Virginia 26651, as agent ("Agent") for **William T. Bright**, a resident of West Virginia ("Bright") and **Rail Connection, Inc.**, a West Virginia corporation with its principal place of business located at 737 Eleanor Industrial Park, P.O. Box 800, Eleanor, West Virginia 25070 ("Rail Connection," and together with Bright, "Lender");

**WHEREAS**, pursuant to those certain Bill's of Sale, copies of which are attached hereto as **Exhibit A**, Borrower has agreed to sell to Kinder Morgan Petcoke, LP, a Delaware limited partnership ("Kinder Morgan") all of Borrower's right, title and interest in and to the Eighty-Two (82) 100-ton 4,000 c.f. triple hopper rail cars more particularly defined and described in **Appendix A** to the Bill's of Sale (the "Released Rail Cars");

**WHEREAS**, the Released Rail Cars are among those three hundred four (304) 100-ton, 4000 c.f. triple hopper railroad coal cars (the "Equipment") owned by Borrower and (a) leased American Electric Power Service Corporation, on behalf of Ohio Power Company ("AEP") pursuant to Railroad Car Lease R06004 between Borrower and AEP dated May 3, 2006 (the "AEP Lease"); and (b) pledged to Agent for the benefit of Lender pursuant to a Security Agreement and an Assignment of Rents and Leases between Borrower, Agent and Lender, each dated May 3, 2006, to secure Lender in payment of a certain promissory note dated May 3, 2006, executed by Borrower in the principal amount of \$4,776,000, payable to the order of Bright (the "Bright Note") and a certain promissory note dated May 3, 2006, executed by Borrower in the

principal amount of \$1,000,000 (the "RCI Note" and together with the Bright Note, the "Notes"), and to further secure the payment and performance of all obligations of Borrower to Lender and Agent under the Notes, the Security Agreement and the Assignment of Rents and Leases;

**WHEREAS**, Borrower and Lender have agreed that Borrower's sale of all of its right, title and interest in and to the Released Rail Cars to Kinder Morgan is in the best interests of Borrower and Lender;

**WHEREAS**, Borrower desires to terminate and release the Released Rail Cars from the AEP Lease; and

**WHEREAS**, Lender desires to terminate and release the Released Rail Cars from the lien on and security interest created by the Security Agreement and the Assignment of Rents and Leases.

**NOW, THEREFORE, THIS AGREEMENT WITNESSETH**, that for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound, Borrower and Lender do hereby agree as follows:

1. That Borrower and Lender have authorized and approved the sale, assignment, transfer and conveyance all of Borrower's right, title and interest in and to the Released Rail Cars to Kinder Morgan pursuant to the Bill of Sale attached hereto and incorporated herein as **Exhibit A**.

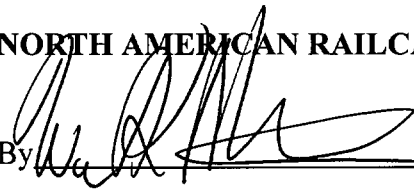
2. That at or prior to the date hereof, Borrower has terminated and released the Released Rail Cars from the AEP Lease. Except with respect to the termination and release of the Released Rail Cars as described herein, the AEP Lease remains valid and in full force and effect.

3. That as of the date hereof, Lender hereby releases its lien on and security interest in the Released Rail Cars. Except with respect to the termination and release by Lender of the Released Rail Cars as described herein, the Security Agreement and the Assignment of Rents and Leases shall each remain valid and in full force and effect.

This Partial Release may be executed in one or more counterparts, each of which will be deemed an original of this Partial Release and all of which, taken together, will be deemed to constitute one and the same instrument.

WITNESS the following signatures as of the 1<sup>st</sup> day of November, 2006

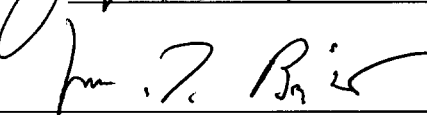
**NORTH AMERICAN RAILCAR, LLC**

By   
Its President

**LAND USE CORPORATION**

By 

Its President

  
\_\_\_\_\_  
WILLIAM T. BRIGHT

**RAIL CONNECTION, INC.**

By 

Its Vice President

STATE OF WEST VIRGINIA )  
 ) ss.  
COUNTY OF KANAWHA )

On this 1<sup>st</sup> day of November, 2006 before me personally appeared W. Kurt Higginbotham, to me personally known, who being by me duly sworn, says that he is the President of North American Railcar, LLC, a West Virginia limited liability company, that the foregoing instrument was signed on behalf of said limited liability company by authority of its Members, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said limited liability company.



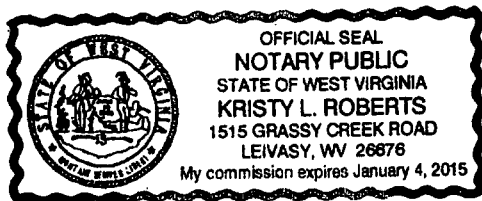
[Signature]  
Notary Public

My commission expires: July 2, 2007

STATE OF WEST VIRGINIA )  
 ) ss.  
COUNTY OF NICHOLAS )

On this 21<sup>st</sup> day of September, 2006, before me personally appeared James E. Davis, to me personally known, who being by me duly sworn, says that he is the President of Land Use Corporation, a West Virginia corporation, as Agent for William T. Bright and Rail Connection, Inc., that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(Seal)



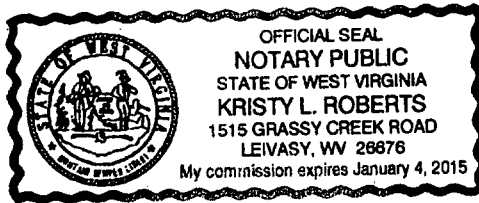
Kristy L. Roberts  
Notary Public

My commission expires: January 4, 2015

STATE OF WEST VIRGINIA )  
 ) ss.  
COUNTY OF NICHOLAS )

On this 21<sup>st</sup> day of September, 2006, before me personally appeared William T. Bright, to me known to be the person described in and who executed the forgoing instrument and he acknowledged that he executed the same as his free act and deed.

(Seal)

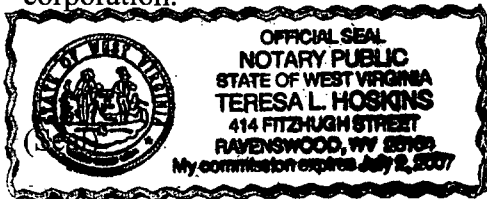


Kristy L. Roberts  
Notary Public

My commission expires: January 4, 2015

STATE OF WEST VIRGINIA )  
 ) ss.  
COUNTY OF KANAWHA )

On this 1<sup>st</sup> day of November, 2006, before me personally appeared W. Kurt Higginbotham, to me personally known, who being by me duly sworn, says that he is the Vice President of Rail Connection, Inc., a West Virginia corporation, that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



T. L. Hoskins  
Notary Public

My commission expires: July 2, 2007

**EXHIBIT A – BILL OF SALE**



## **BILL OF SALE**

For and in consideration of Ten Dollars (\$10.00) cash in hand paid and other good and valuable consideration, the receipt of which is hereby acknowledged, North American Railcar, LLC ("Seller") does hereby sell, assign, transfer and convey unto Kinder Morgan Petcoke, LP ("Buyer"), and its successors and assigns, all of the Seller's right, title, and interest in and to the Thirteen (13) 100-ton 4,000 c.f. triple hopper rail cars described in APPENDIX A hereto (the "Equipment").

This Bill of Sale is given pursuant to that certain Purchase and Sale Agreement, dated the 30<sup>th</sup> day of August, 2006, by and between Buyer and Seller and neither expands upon nor limits the right and obligations of the parties under the Purchase and Sale Agreement.

Seller hereby represents and warrants to Buyer that Seller owns the Equipment and that as of the date hereof the Equipment is free and clear of any mortgage, pledge, lien, charge, disposition of title, encumbrance, lease, right of first refusal or security interest.

THE FOREGOING WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER GUARANTEES, REPRESENTATIONS AND WARRANTIES OF ANY KIND, WHETHER WRITTEN, ORAL, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT OR ANY PART OR PORTION THEREOF. ACCORDINGLY, THE EQUIPMENT IS BEING SOLD AS IS, **WHERE IS**, AND WITH ALL FAULTS, AND SELLER HAS NOT MADE, AND SHALL NOT BE DEEMED, BY VIRTUE OF HAVING SOLD THE EQUIPMENT, OR OTHERWISE, TO HAVE MADE, AND EXPRESSLY DISCLAIMS, ANY GUARANTEE, REPRESENTATION OR WARRANTY, WHETHER WRITTEN, ORAL, EXPRESS OR IMPLIED, AS TO THE CONDITION, DESIGN, VALUE, OPERATION, **MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE** OF THE EQUIPMENT OR ANY PART OR PORTION THEREOF, THE QUALITY OF THE MATERIAL OR WORKMANSHIP OF THE EQUIPMENT OR ANY PART OR PORTION THEREOF, THE CONFORMITY OF THE EQUIPMENT OR ANY PART OR PORTION THEREOF TO THE PROVISIONS AND SPECIFICATIONS OF ANY PURCHASE ORDER OR INVOICE RELATING THERETO OR ANY OTHER DESCRIPTION THEREOF, THE FREEDOM OF THE EQUIPMENT OR ANY PART OR PORTION THEREOF FROM ANY LATENT OR OTHER DEFECTS (WHETHER OR NOT DISCOVERABLE), OR, EXCEPT AS SET FORTH ABOVE, ANY OTHER GUARANTEE, REPRESENTATION OR WARRANTY WHATSOEVER, WHETHER WRITTEN, ORAL, EXPRESS, OR IMPLIED, WITH RESPECT TO THE EQUIPMENT OR ANY PART OR PORTION THEREOF, IT BEING AGREED THAT ALL SUCH RISKS ARE TO BE BORNE BY THE BUYER.

By its acceptance of this Bill of Sale the Buyer confirms that it has inspected the Equipment to its full satisfaction and accepts the Equipment **AS IS, WHERE IS AND WITH ALL FAULTS**.

IN WITNESS WHEREOF, the undersigned has executed this Bill of Sale as of the 23<sup>rd</sup> day of October, 2006.

NORTH AMERICAN RAILCAR, LLC

BY: 

NAME: Warren K. Higginbotham

TITLE: President

STATE OF WEST VIRGINIA

)

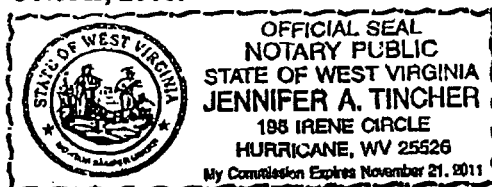
) SS:

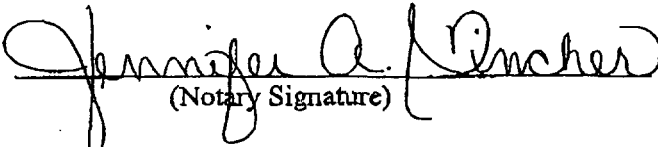
COUNTY OF PUTNAM

)

On this 23<sup>rd</sup> day of October, 2006, before me the subscriber, Jennifer A. Tincher, a Notary Public, duly commissioned, qualified and acting, within and for said County and State, appeared in person the within named Warren K. Higginbotham to me personally known, who stated and acknowledged that he is the President of North American Railcar, LLC, a West Virginia limited liability company (the "Company"), and duly authorized by authority of the Members of said Company in his capacity as such officer to execute and acknowledge the foregoing instrument for and in the name and on behalf of said Company and further stated and acknowledged that he has so signed, executed and delivered the foregoing instrument as the free and voluntary act and deed of said Company, for the consideration, uses and purposes therein mentioned and set forth and desired that the same might be recorded as such.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 23<sup>rd</sup> day of October, 2006.



  
(Notary Signature)

My commission expires:

November 21, 2011

**BILL OF SALE**

**APPENDIX A**

AEPX 2379  
AEPX 2454  
AEPX 2500  
AEPX 2428  
AEPX 2416  
AEPX 2009  
AEPX 2398  
AEPX 2394  
AEPX 2323  
AEPX 2237  
AEPX 2260  
AEPX 2175  
AEPX 2162

## BILL OF SALE

For and in consideration of Ten Dollars (\$10.00) cash in hand paid and other good and valuable consideration, the receipt of which is hereby acknowledged, North American Railcar, LLC ("Seller") does hereby sell, assign, transfer and convey unto Kinder Morgan Petcoke, LP ("Buyer"), and its successors and assigns, all of the Seller's right, title, and interest in and to the Thirty-Six (36) 100-ton 4,000 c.f. triple hopper rail cars described in APPENDIX A hereto (the "Equipment").

This Bill of Sale is given pursuant to that certain Purchase and Sale Agreement, dated the 30<sup>th</sup> day of August, 2006, by and between Buyer and Seller and neither expands upon nor limits the right and obligations of the parties under the Purchase and Sale Agreement.

Seller hereby represents and warrants to Buyer that Seller owns the Equipment and that as of the date hereof the Equipment is free and clear of any mortgage, pledge, lien, charge, disposition of title, encumbrance, lease, right of first refusal or security interest.

THE FOREGOING WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER GUARANTEES, REPRESENTATIONS AND WARRANTIES OF ANY KIND, WHETHER WRITTEN, ORAL, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT OR ANY PART OR PORTION THEREOF. ACCORDINGLY, THE EQUIPMENT IS BEING SOLD AS IS, WHERE IS, AND WITH ALL FAULTS, AND SELLER HAS NOT MADE, AND SHALL NOT BE DEEMED, BY VIRTUE OF HAVING SOLD THE EQUIPMENT, OR OTHERWISE, TO HAVE MADE, AND EXPRESSLY DISCLAIMS, ANY GUARANTEE, REPRESENTATION OR WARRANTY, WHETHER WRITTEN, ORAL, EXPRESS OR IMPLIED, AS TO THE CONDITION, DESIGN, VALUE, OPERATION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE EQUIPMENT OR ANY PART OR PORTION THEREOF, THE QUALITY OF THE MATERIAL OR WORKMANSHIP OF THE EQUIPMENT OR ANY PART OR PORTION THEREOF, THE CONFORMITY OF THE EQUIPMENT OR ANY PART OR PORTION THEREOF TO THE PROVISIONS AND SPECIFICATIONS OF ANY PURCHASE ORDER OR INVOICE RELATING THERETO OR ANY OTHER DESCRIPTION THEREOF, THE FREEDOM OF THE EQUIPMENT OR ANY PART OR PORTION THEREOF FROM ANY LATENT OR OTHER DEFECTS (WHETHER OR NOT DISCOVERABLE), OR, EXCEPT AS SET FORTH ABOVE, ANY OTHER GUARANTEE, REPRESENTATION OR WARRANTY WHATSOEVER, WHETHER WRITTEN, ORAL, EXPRESS, OR IMPLIED, WITH RESPECT TO THE EQUIPMENT OR ANY PART OR PORTION THEREOF, IT BEING AGREED THAT ALL SUCH RISKS ARE TO BE BORNE BY THE BUYER.

By its acceptance of this Bill of Sale the Buyer confirms that it has inspected the Equipment to its full satisfaction and accepts the Equipment AS IS, WHERE IS AND WITH ALL FAULTS.

IN WITNESS WHEREOF, the undersigned has executed this Bill of Sale as of the 25<sup>th</sup> day of October, 2006.

NORTH AMERICAN RAILCAR, LLC

BY: 

NAME: Warren K. Higginbotham

TITLE: President

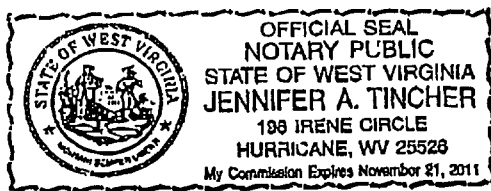
STATE OF WEST VIRGINIA )

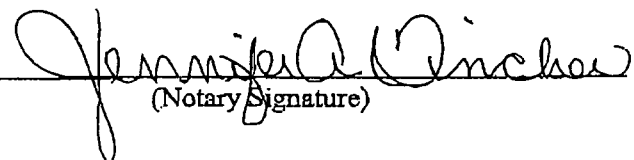
) SS:

COUNTY OF PUTNAM )

On this 25<sup>th</sup> day of October, 2006, before me the subscriber, Jennifer A. Tincher, a Notary Public, duly commissioned, qualified and acting, within and for said County and State, appeared in person the within named Warren K. Higginbotham to me personally known, who stated and acknowledged that he is the President of North American Railcar, LLC, a West Virginia limited liability company (the "Company"), and duly authorized by authority of the Members of said Company in his capacity as such officer to execute and acknowledge the foregoing instrument for and in the name and on behalf of said Company and further stated and acknowledged that he has so signed, executed and delivered the foregoing instrument as the free and voluntary act and deed of said Company, for the consideration, uses and purposes therein mentioned and set forth and desired that the same might be recorded as such.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 25<sup>th</sup> day of October, 2006.



  
(Notary Signature)

My commission expires:

November 21, 2011

**BILL OF SALE**

**APPENDIX A**

AEPX 2021	AEPX 2290	AEPX 2124	AEPX 2176
AEPX 2196	AEPX 2209	AEPX 2243	AEPX 2254
AEPX 2258	AEPX 2282	AEPX 2286	AEPX 2287
AEPX 2550	AEPX 2556	AEPX 2013	AEPX 2028
AEPX 2054	AEPX 2060	AEPX 2069	AEPX 2082
AEPX 2117	AEPX 2121	AEPX 2190	AEPX 2311
AEPX 2324	AEPX 2352	AEPX 2366	AEPX 2388
AEPX 2396	AEPX 2409	AEPX 2420	AEPX 2478
AEPX 2456	AEPX 2479	AEPX 2518	AEPX 2049

## **BILL OF SALE**

For and in consideration of Ten Dollars (\$10.00) cash in hand paid and other good and valuable consideration, the receipt of which is hereby acknowledged, North American Railcar, LLC ("Seller") does hereby sell, assign, transfer and convey unto Kinder Morgan Petcoke, LP ("Buyer"), and its successors and assigns, all of the Seller's right, title, and interest in and to the Twenty-Nine (29) 100-ton 4,000 c.f. triple hopper rail cars described in APPENDIX A hereto (the "Equipment").

This Bill of Sale is given pursuant to that certain Purchase and Sale Agreement, dated the 30<sup>th</sup> day of August, 2006, by and between Buyer and Seller and neither expands upon nor limits the right and obligations of the parties under the Purchase and Sale Agreement.

Seller hereby represents and warrants to Buyer that Seller owns the Equipment and that as of the date hereof the Equipment is free and clear of any mortgage, pledge, lien, charge, disposition of title, encumbrance, lease, right of first refusal or security interest.

THE FOREGOING WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER GUARANTEES, REPRESENTATIONS AND WARRANTIES OF ANY KIND, WHETHER WRITTEN, ORAL, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT OR ANY PART OR PORTION THEREOF. ACCORDINGLY, THE EQUIPMENT IS BEING SOLD AS IS, WHERE IS, AND WITH ALL FAULTS, AND SELLER HAS NOT MADE, AND SHALL NOT BE DEEMED, BY VIRTUE OF HAVING SOLD THE EQUIPMENT, OR OTHERWISE, TO HAVE MADE, AND EXPRESSLY DISCLAIMS, ANY GUARANTEE, REPRESENTATION OR WARRANTY, WHETHER WRITTEN, ORAL, EXPRESS OR IMPLIED, AS TO THE CONDITION, DESIGN, VALUE, OPERATION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE EQUIPMENT OR ANY PART OR PORTION THEREOF, THE QUALITY OF THE MATERIAL OR WORKMANSHIP OF THE EQUIPMENT OR ANY PART OR PORTION THEREOF, THE CONFORMITY OF THE EQUIPMENT OR ANY PART OR PORTION THEREOF TO THE PROVISIONS AND SPECIFICATIONS OF ANY PURCHASE ORDER OR INVOICE RELATING THERETO OR ANY OTHER DESCRIPTION THEREOF, THE FREEDOM OF THE EQUIPMENT OR ANY PART OR PORTION THEREOF FROM ANY LATENT OR OTHER DEFECTS (WHETHER OR NOT DISCOVERABLE), OR, EXCEPT AS SET FORTH ABOVE, ANY OTHER GUARANTEE, REPRESENTATION OR WARRANTY WHATSOEVER, WHETHER WRITTEN, ORAL, EXPRESS, OR IMPLIED, WITH RESPECT TO THE EQUIPMENT OR ANY PART OR PORTION THEREOF, IT BEING AGREED THAT ALL SUCH RISKS ARE TO BE BORNE BY THE BUYER.

By its acceptance of this Bill of Sale the Buyer confirms that it has inspected the Equipment to its full satisfaction and accepts the Equipment AS IS, WHERE IS AND WITH ALL FAULTS.

IN WITNESS WHEREOF, the undersigned has executed this Bill of Sale as of the 27<sup>th</sup> day of October, 2006.

NORTH AMERICAN RAILCAR, LLC

BY: Warren K. Higginbotham

NAME: Warren K. Higginbotham

TITLE: President

STATE OF WEST VIRGINIA )

)

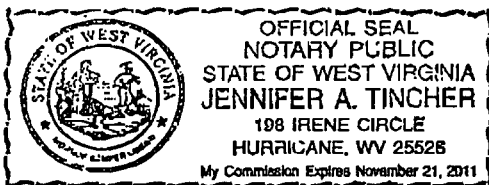
) SS:

COUNTY OF PUTNAM )

)

On this 27<sup>th</sup> day of October, 2006, before me the subscriber, Jennifer A. Tincher, a Notary Public, duly commissioned, qualified and acting, within and for said County and State, appeared in person the within named Warren K. Higginbotham to me personally known, who stated and acknowledged that he is the President of North American Railcar, LLC, a West Virginia limited liability company (the "Company"), and duly authorized by authority of the Members of said Company in his capacity as such officer to execute and acknowledge the foregoing instrument for and in the name and on behalf of said Company and further stated and acknowledged that he has so signed, executed and delivered the foregoing instrument as the free and voluntary act and deed of said Company, for the consideration, uses and purposes therein mentioned and set forth and desired that the same might be recorded as such.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 27<sup>th</sup> day of October, 2006.



Jennifer A. Tincher  
(Notary Signature)

My commission expires:

November 21, 2011



**BILL OF SALE**

**APPENDIX A**

AEPX 2231	AEPX 2238	AEPX 2241	AEPX 2270
AEPX 2296	AEPX 2318	AEPX 2333	AEPX 2334
AEPX 2336	AEPX 2346	AEPX 2488	AEPX 2512
AEPX 2530	AEPX 2535	AEPX 2538	AEPX 2568
AEPX 2591	AEPX 2597	AEPX 2004	AEPX 2005
AEPX 2050	AEPX 2066	AEPX 2077	AEPX 2123
AEPX 2180	AEPX 2184	AEPX 2212	AEPX 2223
AEPX 2146			

## **BILL OF SALE**

For and in consideration of Ten Dollars (\$10.00) cash in hand paid and other good and valuable consideration, the receipt of which is hereby acknowledged, North American Railcar, LLC ("Seller") does hereby sell, assign, transfer and convey unto Kinder Morgan Petcoke, LP ("Buyer"), and its successors and assigns, all of the Seller's right, title, and interest in and to the Four (4) 100-ton 4,000 c.f. triple hopper rail cars described in APPENDIX A hereto (the "Equipment").

This Bill of Sale is given pursuant to that certain Purchase and Sale Agreement, dated the 30<sup>th</sup> day of August, 2006, by and between Buyer and Seller and neither expands upon nor limits the right and obligations of the parties under the Purchase and Sale Agreement.

Seller hereby represents and warrants to Buyer that Seller owns the Equipment and that as of the date hereof the Equipment is free and clear of any mortgage, pledge, lien, charge, disposition of title, encumbrance, lease, right of first refusal or security interest.

THE FOREGOING WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER GUARANTEES, REPRESENTATIONS AND WARRANTIES OF ANY KIND, WHETHER WRITTEN, ORAL, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT OR ANY PART OR PORTION THEREOF. ACCORDINGLY, THE EQUIPMENT IS BEING SOLD AS IS, WHERE IS, AND WITH ALL FAULTS, AND SELLER HAS NOT MADE, AND SHALL NOT BE DEEMED, BY VIRTUE OF HAVING SOLD THE EQUIPMENT, OR OTHERWISE, TO HAVE MADE, AND EXPRESSLY DISCLAIMS, ANY GUARANTEE, REPRESENTATION OR WARRANTY, WHETHER WRITTEN, ORAL, EXPRESS OR IMPLIED, AS TO THE CONDITION, DESIGN, VALUE, OPERATION, **MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE** OF THE EQUIPMENT OR ANY PART OR PORTION THEREOF, THE QUALITY OF THE MATERIAL OR WORKMANSHIP OF THE EQUIPMENT OR ANY PART OR PORTION THEREOF, THE CONFORMITY OF THE EQUIPMENT OR ANY PART OR PORTION THEREOF TO THE PROVISIONS AND SPECIFICATIONS OF ANY PURCHASE ORDER OR INVOICE RELATING THERETO OR ANY OTHER DESCRIPTION THEREOF, THE FREEDOM OF THE EQUIPMENT OR ANY PART OR PORTION THEREOF FROM ANY LATENT OR OTHER DEFECTS (WHETHER OR NOT DISCOVERABLE), OR, EXCEPT AS SET FORTH ABOVE, ANY OTHER GUARANTEE, REPRESENTATION OR WARRANTY WHATSOEVER, WHETHER WRITTEN, ORAL, EXPRESS, OR IMPLIED, WITH RESPECT TO THE EQUIPMENT OR ANY PART OR PORTION THEREOF, IT BEING AGREED THAT ALL SUCH RISKS ARE TO BE BORNE BY THE BUYER.

By its acceptance of this Bill of Sale the Buyer confirms that it has inspected the Equipment to its full satisfaction and accepts the Equipment **AS IS, WHERE IS AND WITH ALL FAULTS**.

IN WITNESS WHEREOF, the undersigned has executed this Bill of Sale as of the 1<sup>st</sup> day of November, 2006.

NORTH AMERICAN RAILCAR, LLC

BY: Warren K. Higginbotham

NAME: Warren K. Higginbotham

TITLE: President

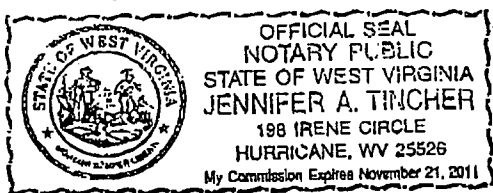
STATE OF WEST VIRGINIA )

) SS:

COUNTY OF PUTNAM )

On this 1<sup>st</sup> day of November, 2006, before me the subscriber, Jennifer A. Tincher, a Notary Public, duly commissioned, qualified and acting, within and for said County and State, appeared in person the within named Warren K. Higginbotham to me personally known, who stated and acknowledged that he is the President of North American Railcar, LLC, a West Virginia limited liability company (the "Company"), and duly authorized by authority of the Members of said Company in his capacity as such officer to execute and acknowledge the foregoing instrument for and in the name and on behalf of said Company and further stated and acknowledged that he has so signed, executed and delivered the foregoing instrument as the free and voluntary act and deed of said Company, for the consideration, uses and purposes therein mentioned and set forth and desired that the same might be recorded as such.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 1<sup>st</sup> day of November, 2006.



Jennifer A. Tincher  
(Notary Signature)

My commission expires:

November 21, 2011

**BILL OF SALE**

**APPENDIX A**

AEPX 2417

AEPX 2242

AEPX 2513

AEPX 2183